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KELINGTON 9M 2024 NET PROFIT ROSE 26.1% TO RM84.4 MILLION, DECLARES DIVIDEND OF 2 SEN

Kuala Lumpur, 12 November 2024 – Integrated engineering solutions provider, Kelington Group Berhad ("**Kelington**" or "**Group**") (stock code:0151) today reported its third quarter ("3Q2024") and nine months ("9M2024") financial results ended 30 September 2024.

During the quarter, Kelington recorded a revenue of RM307.3 million, versus RM401.8 million in the preceding year's corresponding quarter ("3Q2023"). The lower revenue is primarily due to several key projects in Singapore and Malaysia progressing from their accelerated phases to nearing completion.

Gross profit margin rose significantly to 22.8% in 3Q2024, up from 14.8% in 3Q2023, driven by a strategic focus on revenue composition and a favorable project mix, along with contributions from the Industrial Gases division. However, this improvement was partly offset by an unrealized forex loss of approximately RM6.7 million, mainly due to the revaluation of foreign currency balances and receivables as the Ringgit Malaysia strengthened. This resulted in a profit attributable to shareholders ("net profit") of RM32.9 million for 3Q2024, compared to RM31.7 million in 3Q 2023.

The Industrial Gases division maintained its strong performance in 3Q2024, with revenue rising 30.9% YoY to RM39.4 million, driven by robust demand, reflecting sustained market strength.

In the third quarter of 2024, the Ultra High Purity ("UHP") division continued to be the Group's primary revenue driver, contributing 68% of total revenue. The Industrial Gases division was the second-largest contributor, representing 12% of total revenue. The General Contracting division accounted for 10%, while Process Engineering contributed 6%. Equipment and Materials comprised the remaining 4% of total revenue for the period.

Revenue from China increased to RM78.8 million in 3Q2024, representing a significant 22.3% growth compared to RM64.5 million in the same period last year. This strong performance was primarily driven by the award of several substantial Ultra High Purity (UHP) projects in the second half of 2023 and the first half of 2024, reflecting the sustained demand in the region.



In 9M2024, Kelington achieved a net profit of RM84.4 million on the back of revenue of RM967.8 million. This represents a year-over-year ("YoY") net profit growth of 26.1% compared to RM66.9 million in 9MFY23.

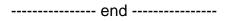
Commenting on the Group's financial performance, Ir. Raymond Gan (顏漢慶), Chief Executive Officer of Kelington Group Berhad said, "With a strong earnings performance in the first nine months, we are confident of achieving another record-breaking year in FY2024, driven by the steady execution of our existing orderbook across key markets and the continued momentum in our Industrial Gas business."

"Over the 9-month period ended 30 September 2024, the Group secured new contracts worth RM999 million, increasing our total outstanding order book to RM1.45 billion. With strong export demand for LCO2, utilisation of our LCO2 plant is increasing rapidly. We have also secured land adjacent to our existing plants, providing the flexibility needed to expand capacity as demand rises."

As of 30 September 2024, the Group's equity (excluding non-controlling interests) increased to RM421.2 million, up from RM332.6 million at the end of December 2023. This growth was driven by the exercise of warrants and consistent quarterly profits.

During the quarter, the Group has proposed a third interim tax-exempt dividend of 2 sen per ordinary share for the financial year ending 31 December 2024 ("FY2024"), totalling RM13.8 million which will be paid on 23 December 2024. This brings the total dividend declared in FY2024 to 6 sen per ordinary share, equivalent to RM43.8 million. This represents a 52% payout of Kelington's 9MFY24 net profit.

The Group's balance sheet remains strong with a cash balance of RM359.7 million exceeding total debt of RM174.7 million results in a net cash of RM185.0 million as of 30 September 2024.



ABOUT KELINGTON GROUP BERHAD ("Kelington" or the "Group")

Kelington is an integrated engineering solutions provider specializing in ultra-high purity (UHP) gas and chemical delivery systems, mechanical process engineering, mechanical systems and electrical systems. The Group provides end-to-end engineering solutions ranging from system design to fabrication and installation of equipment as well as building manufacturing facilities for electronic and semiconductor sectors.



Established since 2000, the Group serves customers in the high technology industry across different sectors such as Industrial Gases, Wafer Fabrication, Solar Energy, TFT-LCT, Bioscience and Light Emitting Diode (LED). In line with its expansion plans, Kelington has also expanded its industry focus to include the pharmaceutical, healthcare and oil and gas sectors. For more information, please log on to http://kelington-group.com

Released on behalf of Kelington Group Berhad by Capital Front Investor Relations.

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